

Marketing Partnerships: Looking Across the Supply Chain

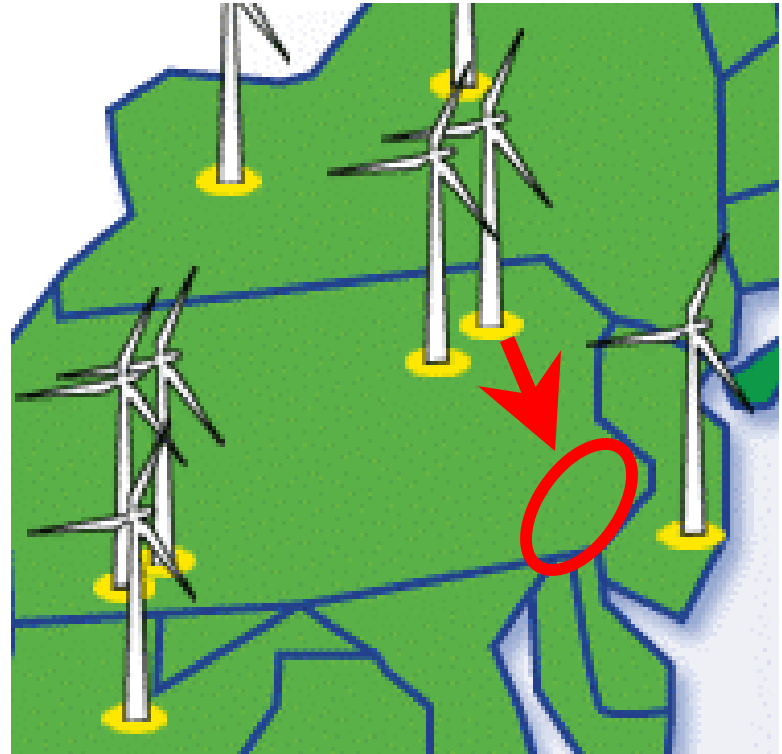
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Amy McGinty, Community Energy

Presentation to the
Ninth National Green Power Marketing Conference

October 4, 2004

Product Description

- ❖ Tariff Approved by PUC
- ❖ “On-the-bill”
- ❖ Supply Source:
100% Pennsylvania Wind
- ❖ 100 kWh Block – \$2.54/block
- ❖ Large C&I contracts
eligible for special pricing



Wind is sourced from 64.5 MW
Waymart Wind Farm

- Owned by FPL
- PPA with Exelon
- One of Four in PJM

Linking up the Supply Chain

Exelon[®]

Power Purchase Agreement
with Wind Farms

Local Distribution
Company

Exelon[®]
Generation

 **PECO[®]**
An Exelon Company

Wholesale
Marketing
Partners

Retail
Marketing
Partners



Wind Energy Marketer



 **PECO[®]**
An Exelon Company

Why a Partnership? – Exelon's View

- ❖ Power Purchase agreements for almost 500,000 MWh of wind energy per year
- ❖ No retail channel to sell wind energy
 - PPAs signed three years prior to launch of PECO WIND
 - Exelon Generation has no retail sales force
- ❖ Wholesale market lacked sufficient demand
- ❖ Goal: Community Energy would develop retail markets to drive demand for wind energy

Why a Partnership? – PECO's View

- ❖ Reduce risk of launch
- ❖ Increase program success
 - Increased credibility with key stakeholders
 - Access to knowledge base with respect to sales and marketing
 - Revenue and cost sharing
- ❖ Access to CEI Wind Supply

Why a Partnership? – CEI's View

- ❖ PECO Brand – Well-known utility reliability
- ❖ Access to 1.5 million customers – e.g., bill inserts
- ❖ “On the bill”
- ❖ Extension of Exelon wholesale marketing relationship
- ❖ Build on 25 MW C & I wind sales in PECO territory

Residential Marketing

- ❖ Lead channel – bill inserts
 - May, June, Aug, Sep, Oct
 - Four inserts planned for 2005

- ❖ Multi-messaging approach

- Earned media
- Tabling at events – leverage PECO sponsorships
- Local print and mass transit advertising
- Public radio
- Direct mail

Soar with the power
of the next generation

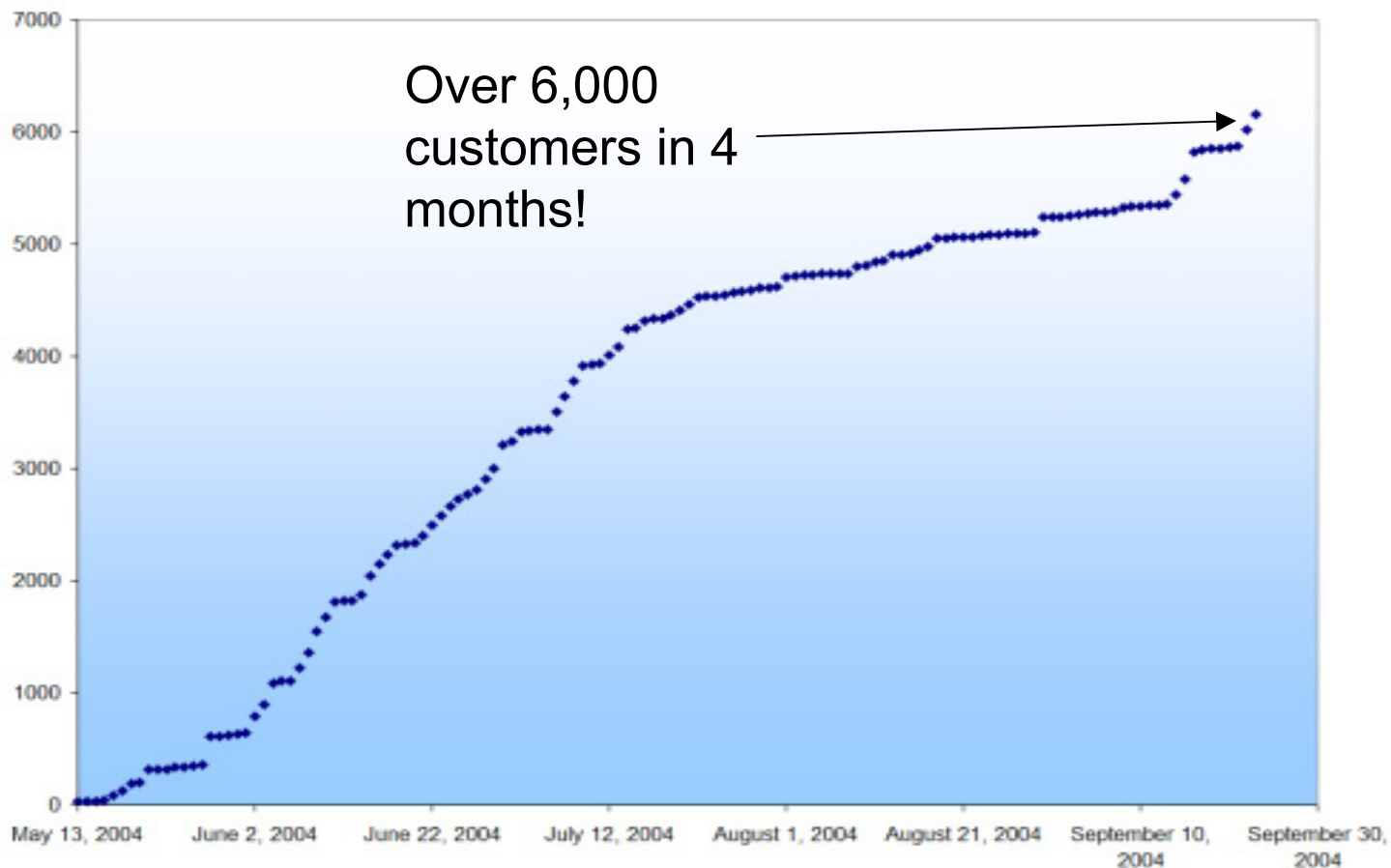
Choose PECO WINDsm
energy today



Commercial, Industrial & Institutional Sales

- ❖ Leverage PECO's account management relationships
 - Account managers generate leads
 - Collaborate with Community Energy to close sale
- ❖ Community Energy targets middle-market
 - PECO does not manage these accounts
 - PECO does not have any full-time sales people
- ❖ Provide customers with PR opportunities
 - First customer, *Johnson+Johnson*, highlighted at launch event

The Result: One of the Fastest Growing Utility Programs in the Country



Drivers of Success

- ❖ Clear, consistent message
- ❖ Customers exposed to message multiple times
- ❖ Easy enrollment
 - Bill insert reply card, Web, phone
- ❖ Keep acquisition costs low
- ❖ Generate local media buzz
- ❖ Magic is in the marriage
 - We can do more together than either could do separately



PECO WINDsm Launch Blade Event at Philadelphia Art Museum, May 2004